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THIS DOCUMENT WAS PREPARED BY, AND AFTER RECORDING RETURN TO:

Michael D. Burstein MUCH SHELIST 191 North Wacker Drive Suite 1800 Chicago, Illinois 60606.1615

PERMANENT TAX INDEX NUMBERS:

17-03-200-074-0000 17-03-200-075-0000 17-03-200-076-0000

**PROPERTY ADDRESS** 

1163-67 North State Street Chicago, Illinois



Doc#: 1220229059 Fee: \$50.00 Eugene "Gene" Moore RHSP Fee:\$10.00 Cook County Recorder of Deeds Date: 07/20/2012 12:57 PM Pg: 1 of 7

This space reserved for Recorder's use only.

## SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (MORTGAGE)

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THIS SUBORDINATION, NON-DISTURBANCE AND ATTOF NMENT AGREEMENT (MORTGAGE) (this "Agreement") is entered into as of March 1, 2012, by and between HEAVENLY DAY SPA ON DIVISION, INC., an Illinois corporation (formerly known as Heavenly Massage of Division, Inc.) ("Lessee"), and WELLS FARGO BANK, NATIONAL ASSOCIATION ("Bank").

#### **RECITALS**

- A. Bank has extended credit or may hereafter extend credit to DIVISION STATE PACTERTY I LLC, a Delaware limited liability company ("Lessor"), secured, in whole or in part, by a mortgage (the "Locatgage") covering that certain real property situated in Cook County, Illinois, and described on Exhibit A attack of hereto and incorporated herein by this reference (the "Property").
- B. Lessee leases all or a portion of the Property pursuant to a lease entered into between Lessor's predecessor in interest and Lessee dated as of June 8, 2006 (the "Original Lease"), which Lease, or a Memorandum thereof, was recorded on January 11, 2008, as Document No. 0801131011 in the office of the Recorder of Deeds of Cook County, Illinois. The Original Lease has been amended by that certain Reinstatement and Amendment to Lease dated February 24, 2009, that certain Second Amendment to Lease dated June 29, 2010, and that certain Third Amendment to Lease dated March 1, 2012 (the Original Lease, as so amended, shall hereinafter be referred to as the "Lease") It is a condition of Bank's agreement to extend or continue credit to Lessor secured by the Property that the security of the Mortgage be and at all times remain a lien or charge on the Property prior and superior to the rights of Lessee under the Lease.

1220229059 Page: 2 of 7

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NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

#### 1. <u>SUBORDINATION</u>.

- (a) <u>Subordination of Lease</u>. The Mortgage and any and all extensions, renewals, modifications or replacements thereof shall be and at all times remain a lien or charge on the Property prior and superior to the Lease. Lessee intentionally and unconditionally waives, relinquishes and subordinates the priority and superiority of the Lease and Lessee's right and interest to the Property thereunder to the lien or charge of the Mortgage, and any and all extensions, renewals, modifications or replacements thereof.
- (b) Reliance. Lessee acknowledges that Bank, in extending credit or continuing to extend credit to Lessor secured by the Property is doing so in material reliance on this Agreement.
- (c) Acknowledgments of Lessee. Lessee acknowledges that it has such information with respect to any credit extended by Bark to Lessor, and all loan documents executed in connection therewith, as Lessee deems necessary in order to provide this subordination. Lessee further agrees that Bank is under no obligation or duty to, nor has Bank represented that it has or will, see to the application of the proceeds of any such credit by any person or entity, and any application or use of any such proceeds for purposes other than those for which they were intended shall not defeat this subordination.
- (d) Entire Subordination Agreement. This Agreement constitutes the whole and only agreement between the parties hereto with regard to the subcidination of the Lease to the lien or charge of the Mortgage; there are no agreements (written or oral) outside or separate from this Agreement with respect to the subject matter hereof; and all prior negotiations with respect thereto, if any, are merged into this Agreement. This Agreement shall supersede and cancel, but only insofar as would affect the provide between the Mortgage and the Lease, any prior agreements as to such subordination, including without limitation those provisions, if any, contained in the Lease which provide for the subordination thereof to the lien of a deed of trust or mortgage affecting all or any portion of the Property.
- 2. <u>LEASE</u>. Lessee hereby covenants and agrees that, so long as the Mortgage remains in force and effect:
- (a) <u>No Modification, Termination or Cancellation</u>. Lessee shall not consent to any modification, termination or cancellation of the Lease without Bank's prior written con ent.
- (b) Notice of Default. Lessee shall notify Bank in writing concurrently with any notice given to Lessor of any breach of or default by Lessor under the Lease. Lessee agrees that Bank shall have the right (but not the obligation) to cure any breach or default specified in such notice within the time period set forth below, and Lessee shall not declare a default of the Lease, as to Bank, if Bank cures such breach or default within thirty (30) days after the expiration of the time period provided in the Lease for the cure thereof by Lessor; provided nowever, that if such breach or default cannot with diligence be cured by Bank within such thirty (30) day period, the commencement of action by Bank within such thirty (30) day period to remedy the same shall be deemed sufficient so long as Bank pursues such cure with diligence.
- (c) No Advance Rents. Lessee shall not make any payments or prepayments of rent more than one (1) month in advance of the time when the same become due under the Lease.
- (d) <u>Assignment of Rents</u>. Upon receipt by Lessee of written notice from Bank that Bank has elected to terminate the license granted to Lessor to collect rents, as provided in the Mortgage, and directing Lessee to make payment thereof to Bank, Lessee shall comply with such direction to pay and shall not be required to determine whether Lessor or Lessor is in default under any obligations to Bank.
- 3. <u>ATTORNMENT</u>. If Bank or any other transferee acquires Lessor's right, title and interest in and to the Property pursuant to a foreclosure of the Mortgage or a transfer of the Property in lieu thereof or in any other

1220229059 Page: 3 of 7

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manner whereby Bank or such transferee succeeds to the interest of Lessor under the Lease, Lessee agrees as follows for the benefit of Bank or such transferee:

- (a) <u>Payment of Rent</u>. Lessee shall pay to Bank or such transferee all rental payments required to be made by Lessee pursuant to the terms of the Lease for the remaining term thereof.
- (b) <u>Continuation of Performance</u>. Lessee shall be bound to Bank or such transferee in accordance with all of the terms of the Lease for the remaining term thereof, and Lessee hereby attorns to Bank or such transferee as its landlord, such attornment to be effective and self-operative without the execution of any further instrument immediately upon Bank or such transferee succeeding to Lessor's interest in the Lease and giving written notice thereof to Lessee.
- (c) No Offset. Neither Bank nor such transferee shall be liable for, or subject to, any offsets or defenses which Lesse any have by reason of any act or omission of Lessor as the prior lessor under the Lease, nor for the return of any sums which Lessee may have paid to Lessor as the prior lessor under the Lease as security deposits, advance rentals of otherwise, except to the extent that such sums are actually delivered by Lessor to Bank or such transferee.
- (d) <u>Subsequent Transfer</u>. If Bank or such transferee, by succeeding to Lessor's interest under the Lease, becomes obligated to perform the covenants of a lessor thereunder, then, upon any further transfer by Bank or such transferee of its interest as a lessor under the Lease, all of such obligations shall terminate as to Bank or such transferee.
- 4. NON-DISTURBANCE. In the event of a foreclosure of the Mortgage, or a transfer of the Property in lieu thereof or in any other manner whereby Park or such transferee succeeds to the interest of Lessor under the Lease, so long as there shall then exist no breach, default or event of default by Lessee under the Lease, (a) the leasehold interest of Lessee shall not be extinguished or terminated by reason of such foreclosure, (b) the Lease shall continue in full force and effect, and (c) Bank and its successors-in-interest shall recognize and accept Lessee as the tenant under the Lease, subject to the terms and conditions of the Lease as modified by this Agreement.

#### 5. MISCELLANEOUS.

- (a) <u>Remedies Cumulative</u>. All remedies provided herein are cumulative, not exclusive, and shall be in addition to any and all other rights and remedies provided by law and by other agreements between Bank and Lessor, Lessor or any other person or entity.
- (b) <u>Costs, Expenses and Attorneys' Fees</u>. If any party hereto institutes  $2\pi r$ , judicial or administrative action or proceeding to enforce any rights or obligations under this Agreement, or seeking damages or any other judicial or administrative remedy, the prevailing party shall be entitled to recover from the other party all costs and expenses, including reasonable attorneys' fees (to include outside counsel fees and all allocated costs of the prevailing party's in-house counsel), whether incurred at the trial or appellate level, in an arbitration proceeding or otherwise, and including any of the foregoing incurred in connection with any bankruptcy proceeding, (including without limitation, any adversary proceeding, contested matter or motion brought by Bank or any other person) relating to Lessor, Lessee or any other person or entity.
- (c) Notices. All notices, requests and demands which any party is required or may desire to give to any other party under any provision of this Agreement must be in writing delivered to each party at the address set forth below its signature, or to such other address as any party may designate by written notice to all other parties. Each such notice, request and demand shall be deemed given or made as follows: (i) if sent by hand delivery, upon delivery; (ii) if sent by mail, upon the earlier of the date of receipt or three (3) days after deposit in the U.S. mail, first class and postage prepaid; and (iii) if sent by telecopy, upon receipt.
- (d) <u>Further Assurances</u>. At the request of any party hereto, each other party shall execute, acknowledge and deliver such other documents and/or instruments as may be reasonably required by the requesting party in order

1220229059 Page: 4 of 7

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to carry out the purpose of this Agreement, provided that no such document or instrument shall modify the rights and obligations of the parties set forth herein.

- (e) <u>Lessor; Lessor</u>. If Lessor and Lessor are the same, each reference in this Agreement to Lessor or Lessor shall be deemed a reference to said person or entity in its respective capacity.
- (f) <u>Successors, Assigns; Governing Law.</u> This Agreement shall be binding upon and inure to the benefit of the heirs, executors, legal representatives, successors, assigns and other transferees of the parties hereto, and shall be governed by and construed in accordance with the laws of the State of Illinois, but giving effect to federal laws applicable to national banks.
- (g) <u>Conflicts</u>. In the event of any inconsistency between the terms of this Agreement and the Lease, the terms of this Agreement shall control.
- (h) <u>Counterparts</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original. Jut all of which together shall constitute and be construed as one and the same instrument.

[Remain Left Blank—Signature Pages Follow]

1220229059 Page: 5 of 7

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IN WITNESS WHEREOF, the parties hereto have executed this Subordination, Non-Disturbance and Attornment Agreement (Mortgage) the day and year first above written.

#### LESSEE:

HEAVENLY DAY SPA ON DIVISION, INC., an Illinois corporation (formerly known as Heavenly Massage of Division, Inc.)

Address:

	Name: JAMES BAK-POULD
	Mile:) <u>president</u>
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Addres	CH com The India
<u> </u>	
STATE OF LU )	
) SS.	
COUNTY OF COOK )	
The undersigned, a Notary Public in and for the said Cour	nty, jn the State aforesaid, DOES HEREBY
CEPTIEN that To make Ron tolk a 1/05 the ces	of HEAVENLY DAY SPA
ON DIVISION INC. an Illinois corporation (formerly known as b	Heavenly Massage of Division, Inc.), who is
norganally known to me to be the same person whose name is subs	scribed to the foregoing instrument as such
said instrument as his/her own free and voluntary act and as the are	cknowledged that he/she signed and delivered the
said instrument as his/her own free and voluntary act and as the free	so and voluntary act of said corporation, for the
uses and purposes therein set forth.	
GIVEN under my hand and notarial seal this 15t day of	of MARCH, 2013
	Will Court of the second
OFFICIAL SEAL	tary Public
JANICE WILLIAMS Com &	orion Evnires
S TO THE OPER OF HENRING &	A Company of the Comp
My Commission Expires 04/15/2013	4-15-13/2
	<u> </u>

[Signatures Continue on Following Page]

1220229059 Page: 6 of 7

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[Signatures Continued from Preceding Page]

BANK:		A 1	
WELLS F	ARGO	BANKN	ATIONAL ASSOCIATION
By: Nam			PAUL MOKHATAS VICE PRESIDENT
Address:	- -	230 W. Mones # 2900 CHICAGO, IL boloob	

1220229059 Page: 7 of 7

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EXHIBIT A TO SUBORDINATION, NON-DISTURBANCE, ATTORNMENT AND ESTOPPEL AGREEMENT (MORTGAGE)

Address of Premises: 1163-7 North State Street, Chicago, Illinois

Permanent Index Number(s): 17-03-200-074-0000, 17-03-200-075-0000 and 17-03-200-076-0000

Legal Description of Property:

LOT 3 IN THE ASSESSOR'S SUBDIVISION OF LOT 6 IN GOTTFRIED KNAUSS SUBDIVISION OF THE NORTH 1/2 OF BLOCK 1 AND THE WEST 100 FEET OF THE SOUTH HALF OF SAID BLOCK 1 IN THE SUBDIVISION BY THE COMMISSIONERS OF THE ILLINOIS AND MICHIGAN CANAL OF THE SOUTH FRACTIONAL QUARTER OF SECTION 3, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERILIAN, IN COOK COUNTY, ILLINOIS.